

Special Assessments



What are Special Assessments, and where do they come from?

A developer of a new subdivision or the property owners in an established neighborhood may request a project by petitioning the City for new improvements, such as water lines, sewer lines, or paved streets. The owners of the property within a set *improvement district* pay for that project. The cost of the project is taxed to the property as a special assessment. Other improvements that may be assessed include sidewalks and weed mowing.

What is an improvement district?

An improvement district is a group of lots designated to share the cost of the project. The improvement district is determined when the petition is prepared either by the developer's engineer, or by the City Engineer's Office, following the guidelines set by state law.

Why doesn't the City just build it?

Kansas law requires a petition to be circulated on most public improvement projects. A petition gives the City Council an indication of support for the project as well as the

legal basis to approve it. A valid petition has signatures of over 50% of the number of owners in the improvement district, or signatures representing over 50% of the square footage in the improvement district.

Why doesn't the City pay for it?

All developments, whether new or established, were once vacant fields. A developer decided to divide the land up into lots and plan streets, water lines and sewer lines to serve those lots in order to build houses and sell them for profit. The developer petitioned the City to build the improvements, and promised to pay the construction cost as special assessments on the property. Currently, it is a requirement to have paved streets, water lines and sewer lines serving a lot before construction can begin. This was not always the case, however, which is why some neighborhoods had to petition later for these improvements.

Why wasn't I notified?

In a new subdivision, the developer knows what petitions were required before construction could begin, and has an estimated monthly cost of the specials associated with those projects. The developer should have shared that amount when you purchased the lot.

When the City receives a petition from an established neighborhood, a certified letter is sent to each prop-

erty owner in the improvement district. If you purchased your house after the project was approved by the City Council, your realtor or the previous owner should have let you know that there were pending specials on the property.

Why is my assessment higher than my neighbor's?

There are different methods allowed for dividing the cost among the lots in the improvement district. The method is designated on each petition. The most common methods of assessment are the square foot basis and the fractional basis. If the square foot basis is used, each property owner will be responsible for a share of the project cost, relative to the square footage of his/her lot; therefore, larger lots will pay more than smaller lots. If the fractional basis is used, each lot in the improvement district will pay a set fraction of the cost; for example, if an improvement district has 14 lots in it, each lot may pay 1/14 of the cost. Each petition is looked at individually to determine which method is the fairest for the largest number of owners.

How do I pay the assessment?

When the project is completed and the final cost is calculated, statements will be mailed to each property owner. At that time, you may either pay cash for the assessment or let it automatically be in the

City's next bond sale, spread over 15 years at a relatively low interest rate. The following November, the first assessment will be on your tax statement listed as a special tax and will be due along with your property tax. You may come in at any time during the 15 years to pay off the assessment and save the remaining interest.

What if I can't afford the assessment?

The City has a deferral program for property owners who fall within certain income guidelines. If you qualify, the assessment will be deferred and you will not have to pay the specials. The assessment will stay with the property, however, and will have to be paid by the next owner. Application for deferral is not made until the project is constructed and statements are mailed out. For an application for deferral, call the Department of Finance, Debt Management Office at 268-4526.

What specials are currently on my property?

To find out what specials are on your property, or to pay off existing special assessments, call the Department of Finance, Debt Management Office at 268-4526.

What if I have more questions?

You may call the City Engineer's Office at 268-4501.

For the next bond sale:

Statements of Assessment will be mailed **November 9, 2012.**

To avoid paying interest, the deadline for paying the entire assessment is **December 10, 2012.**

If you choose not to pay by the deadline, the assessment will automatically go on the tax roll, spread over 15 years. It will show up on your **November 2013** tax statement. The interest rate used for spreading your assessment will be determined when the bonds sell in **February 2013.**

The interest rate for the last bond sale (**July 2012**) was **2.56% (15-year and 20-year).**

City staff will provide information and answer questions at the informal hearing and during the half hour prior to the public hearing.

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